

INTRODUCTION OF THE "PROXY VOTING TRANSPARENCY ACT OF 2009"

HON. MARY JO KILROY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Ms. KILROY. Madam Speaker, this week the House Financial Services Committee is scheduled to markup legislation requiring mandatory "say on pay" shareholder votes on executive compensation packages and corporate golden parachutes. Today, I am introducing legislation that will make sure all investors will be able to hold the institutions that cast these votes accountable for their decisions.

The "say on pay" legislation introduced by House Financial Services Committee Chairman BARNEY FRANK (D-MA), H.R. 3269, gives shareholders an important new tool by requiring annual nonbinding shareholder votes on executive compensation and golden parachutes. This legislation is much needed given the abuses that have come to light during the financial crisis, as numerous CEOs have walked away from failing companies with multi-million dollar paydays.

The "say on pay" votes mandated by H.R. 3269 will be executed through the corporate proxy process where traditionally votes are cast on corporate bylaw changes, director elections, and other matters. Many of these proxy votes are not cast by individual shareholders but rather by institutional investors who own shares on behalf of individuals, such as mutual funds, pension plans and hedge funds. Unfortunately, the only institutional investors currently required to disclose how they vote their proxies, including votes on executive compensation, are mutual funds. Some other institutional investors have voluntarily decided to disclose their proxy votes, but they are not legally required to do so.

The legislation I am introducing today will require mandatory disclosure of all institutional investor proxy votes on "say on pay" issues and all other matters, including the elections of corporate boards. This bill will bring long overdue disclosure to the proxy voting records of hedge funds and other institutional investors.

The need for disclosure of institutional investor proxy votes is a central recommendation of the July 2009 report of the Investors' Working Group (IWG), an independent task force sponsored by the CFA Institute and the Council of Institutional Investors. The IWG task force is chaired by former SEC Chairmen Arthur Levitt, who was appointed SEC Chairman by President Clinton, and William Donaldson Levitt, who was appointed SEC Chairman by President George W. Bush. This bipartisan report recommends that:

Institutional investors—including pension funds, hedge funds and private equity firms—should make timely, public disclosures about their proxy voting guidelines, proxy votes cast, investment guidelines, and members of their governing bodies and report annually on holdings and performance.

The IWG task force is one of many voices calling for disclosure of institutional investor proxy votes. Both the AFL-CIO and the Investment Company Institute support their disclosure:

The AFL-CIO strongly supports increased transparency in proxy voting by all capital market participants . . .

Greater transparency around proxy voting by institutional investors should enhance the quality of the debate concerning how the corporate franchise is used, particularly in the context of "say on pay" proposals, where the public disclosure of advisory votes would maximize their influence over management.

The legislation I am introducing will make sure all investors can monitor corporate proxy votes cast by institutional investors. It accomplishes this by requiring annual disclosure of proxy votes by any entity that is required to file ownership reports pursuant to Sec. 13(f) of the Securities and Exchange Act of 1934. Today, Sec. 13(f) filers, who by definition invest more than \$100 million in equity assets, must report their holdings quarterly. My legislation simply requires that once a year these institutions use their 13F forms to disclose their comprehensive proxy voting records.

As Congress works on legislation providing new consumer protections and tougher regulation of Wall Street, I believe we must increase transparency and disclosure throughout the capital markets. This legislation marks an important step in that direction.

EARMARK DECLARATION

HON. MARK E. SOUDER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Mr. SOUDER. Madam Speaker, pursuant to the House Republican standards on earmarks, I am submitting the following information regarding earmarks I received as part of the 2010 Department of Defense Appropriations Bill.

Requesting Member: Congressman MARK SOUDER

Bill Number: H.R. 3326

Account: Army, RDTE

Legal Name of Requesting Entity: Raytheon Company.

Address of Requesting Entity: 1010 Production Rd, Fort Wayne, IN 46808

Description of Request: The Advanced Field Artillery Tactical Data System (AFATDS) requires an additional \$7.2M in FY10 to develop an updated Joint Ground-Air Component Interface to enhance the responsiveness, accuracy and safety of air support to ground troops. The Joint Fires Interface updates will provide the ground commander with an improved capability to see near real time friendly air picture and capabilities. It will enable ground components to fully integrate and coordinate both surface and air delivered (from USAF, USMC and USN aircraft) conventional and precision munitions options used in support of combat operations. This capability will provide a reliable, complete digital connection between the Army and USMC fires system (AFATDS) and the Air Force Theater Battle Management Core System (TBMCS).

EARMARK DECLARATION

HON. MARIO DIAZ-BALART

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 27, 2009

Mr. MARIO DIAZ-BALART of Florida. Madam Speaker, I submit the following:

Requesting Member: Representative MARIO DIAZ-BALART (FL-25)

Bill Number: H.R. 3326

Account: Medical Advanced Technology

Name of Requesting Entity: University of Miami

Address of Requesting Entity: 1252 Memorial Drive, Coral Gables, FL 33146

Description of Request: I have secured \$3,000,000 for the Center for Ophthalmic Innovation. This funding will be used for the Bascom Palmer Institute at the University of Miami. Bascom Palmer sponsors numerous programs bringing eye care to the underserved of south Florida, a uniquely diverse population of ethnicities and races that presages the future of our nation. Effective treatments and cures for blinding eye trauma and disease are within our grasp. While remarkable advances have been made in recent decades, the remaining problems of eye trauma and eye disease are enormously complex. Nevertheless, the knowledge and technologies are out there in our universities and industry, waiting to be captured by ophthalmology. ONOVA (an acronym for the Center for Ophthalmic Innovation) at the Bascom Palmer Eye Institute brings together ideas, people, and cutting-edge technology from diverse backgrounds and venues—across medicine, biotechnology, and biomedical engineering—to develop practical solutions. The objective of this program is to bring the research efforts to the patient and to assemble the required multidisciplinary teams to accomplish this goal in the most efficient manner for rapid implementation. Severe ocular injuries from combat encountered in the wars in Iraq and Afghanistan represent a significant and frequent source of lifetime visual disability and is of immediate concern to the DOD. Approximately 10% to 17% of war casualties are due to eye trauma. For instance, in Operation Iraqi Freedom there were 797 ocular injuries between March 2003 and December 2005 resulting in 438 open eye injuries (i.e. ruptured globes). During an 8-month period alone from January to September 2004, 207 active military personnel in Iraq suffered severe ocular or ocular adnexal injuries, including 132 open globes with 82% of all ocular injuries caused by blast fragmentation from munitions and improvised explosive device. In addition, millions of retired military personnel suffer from disabling eye diseases with similar prevalence as the U.S. population. The current appropriation request will enable ONOVA not only to continue its current projects but also to perform new research projects based on the following ONOVA research framework. This scientific framework consists of inter-related modules that tackle the difficult problems of trauma and disabling eye diseases in a logical organized manner. Progress requires integration of state-of-art technology and utilizes interdisciplinary research teams in prevention, imaging & telemedicine, and regeneration & restoration to provide solutions to ocular trauma and disabling eye diseases from different angles. This team approach has and will continue to catalyze innovative ideas and concepts that will lead to the development of novel diagnostic techniques and effective treatment strategies. In the coming year we will we will add the artificial cornea (keratoprosthesis) project that develops and tests new types of cornea prosthesis. Prosthetic corneas have the potential of restoring vision in severe eye injuries involving the front part of the eye. Unlike donor